

STATE of TEXAS  
HOUSE of REPRESENTATIVES



GARNET F. COLEMAN  
STATE REPRESENTATIVE  
DISTRICT 147

January 12, 2010

The Honorable Rick Perry  
Governor  
Post Office Box 12428  
Austin, Texas 78711

Dear Governor Perry:

I am in receipt of your recent letter, requesting my support of an amendment to the U.S. Constitution requiring a balanced federal budget.

I've always supported pay as you go as wise public policy. If you'll recall, during the 2006 special session and 2007 legislative session I urged you and Speaker Craddick to embrace the notion and not create a structured deficit in our state budget by passing a tax cut bill that was funded by your inadequate tax package. Were it not for the \$12 billion in federal stimulus dollars that you accepted last year to fill in that and other budget holes, you would be unable to campaign on the fact that the state budget we wrote reduced general revenue spending.

It's interesting that you have finally recognized the fact that our nation has a deficit. Calling for such an amendment at any time during the years 2001 - 2008 may have had a much greater impact. If you'll recall, President Clinton passed a balanced budget, it was the lack of fiscal restraint exercised by President Bush that got our nation into the current fiscal crisis.

I am certain your letter does not imply that you want the current economic crisis to worsen and unemployment in Texas to rise. However, attempting to tie the hands of our President and Congress as they work to get our country out of this recession seems imprudent and unwise. As you know, the federal stimulus package has prevented further slow down to our national and state economies, and has immensely aided you in signing a balanced state budget.

Keeping government out of debt is important. The unemployment rate in our state has climbed to 8 percent. If you had accepted the \$555 million for unemployment insurance from the federal government to ease the burden for Texans who lost their jobs, our state would not have had to borrow \$170 million to pay for unemployment benefits and trigger an increase in taxes on businesses.

If you are interested in reducing the federal deficit, I invite you to join me in supporting federal health reform legislation in Congress. You should be a natural champion of this legislation given that it will steer Texas away from our current dismal health standings and, according to the Congressional Budget Office, will reduce the federal deficit by \$130 billion in the next ten years.

P.O. BOX 2910 • AUSTIN, TEXAS 78768-2910 • (512) 463-0524  
P.O. BOX 88140 • HOUSTON, TEXAS 77288 • (713) 520-5355

COUNTY AFFAIRS COMMITTEE CHAIR, CALENDARS COMMITTEE,  
PUBLIC HEALTH COMMITTEE, SELECT COMMITTEE ON FEDERAL ECONOMIC STABILIZATION FUNDING

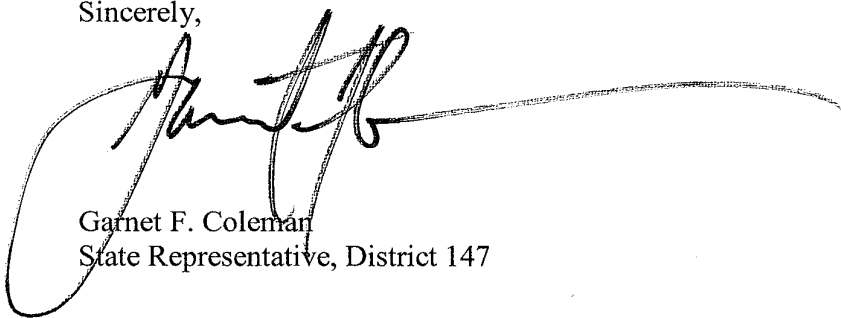
As a suggestion for balancing the state budget in the next legislative session, I suggest curbing the exorbitant amount of tax payer dollars spent on the Enterprise Fund, which is used to reward select corporations. For instance, I view it as ill advised to award \$15 million to sub-prime lenders like Countrywide Financial as an incentive for them to create jobs. As you know, Countrywide Financial helped drive our country into recession and did not create new jobs in our state.

The money from the Enterprise Fund could instead be better used to curb skyrocketing higher education costs. Balancing our state budget on the back of students and families with tuition increases is an unacceptable public policy position, especially during a recession. Tuition deregulation has also proven to damage our state fiscally since Texas does not have the funds to comply with the terms of the Texas Tomorrow Fund and pay ever increasing tuition rates.

At this time, I respectfully decline your invitation to support a national constitutional amendment, believing that it would unnecessarily hamper efforts of our President and Congress as they clean up the economic mess created by their predecessors.

Thank you for contacting my office. My staff and I have been following closely the developments in Washington D.C., and have worked with Congress and the White House to provide insight into the workings of Texas state government. If we may ever be of assistance to your office in helping improve your policy stances as you delve into national politics and policy, please do not hesitate to contact me.

Sincerely,



Garnet F. Coleman  
State Representative, District 147

CC: Members, Texas Legislature  
Capitol Press Corps